

4980-78

23 October 1978

MEMORANDUM FOR: Deputy Director
National Foreign Assessment Center

SUBJECT : Request for Permission to Conduct
Class at American University on
7 December, Using Only
Unclassified Materials

I have been asked by Professor W. Donald Bowles, an economics professor at the American University and a friend of the Agency, to address his graduate class in Economics 19.512, Comparative Economic Systems, on Thursday 7 December, 1730-2000 hours. My subject would be the economy of China as a comparative economic system. I would identify myself as a CIA employee, state that my views were not necessarily those of CIA or the US government, and use only unclassified materials. A considerable share of the 20-25 members of the class (mostly economics MA candidates) are foreign nationals. I have conducted Professor Bowles class previously. I have been identified as a CIA employee on numerous recruiting trips and at similar lectures at various educational institutions. A outline of my proposed presentation is attached.

STATINTL



Chief
International Trade and Services Division
Office of Economic Research

Attachment:
As stated above

SUBJECT: Request for Permission to Conduct Class
[REDACTED]

STATINTL

CONCUR:

STATINTL

[REDACTED]
Director of Economic Research

STATINTL

for [REDACTED]
Director of Security

STATINTL

[REDACTED]
Coordinator for Academic Relations

APPROVED:

STATINTL

f [REDACTED] 7 NOV 1978
Deputy Director
National Foreign Assessment Center

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Econ 19.512 (AU, Bowles)

CHINA AS A COMPARATIVE ECONOMIC SYSTEM

Outline

1. Skeletal structure of the Soviet economy
 - a. Public ownership (at various levels) of means of production
 - b. Planning apparatus and planning cycle
 - c. Bias toward investment, especially in heavy industry
 - d. Command, not market, system of implementation
2. Ancient Chinese traditions and attitudes
 - a. Tremendous accumulation of ag, govt, comm, handicraft skills
 - b. Elaborate social mechanism of work discipline and family arrangements
 - c. Cellular structure of countryside
 - d. Intense cultural pride
3. Modern Maoist precepts
 - a. Marxist view of class struggle; rural emphasis
 - b. Leninist view of discipline Party vanguard
 - c. "New socialist man": moral incentives, sacrifice to group
 - d. End of rural-urban, peasant-worker, manual-mental differences
4. Strong but uneven growth, in seven sub-periods
 - a. 1949-52: Rehabilitation
 - b. 1953-57: First Five-Year Plan
 - c. 1958-60: Great Leap Forward
 - d. 1961-65: Readjustment and Recovery
 - e. 1966-70: Cultural Revolution, and 1970
 - f. 1971-75: Fourth Five-Year Plan
 - g. 1976-85: Ten-Year Plan
5. Successes compared with other LDCs
 - a. Mobilization of labor for land improvement and rural industry
 - b. Prevention of uncontrolled rural-urban migration
 - c. Avoidance of large-scale foreign debt
 - d. Design and production of modern weapons
 - e. Establishment of a highly promising population control system